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## THE AMERICAN WOOL INDUSTRY.

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THE recent vote in the House of Representatives to put wool on the free list and the probability that this vote will shortly be submitted to the judgment of the American people, make a review of our wool industry especially appropriate at this time.

The American wool clip amounts to about three hundred million pounds per annum. The best private authorities place it higher than this, and it is pretty clear that the Government estimates are too low. But the figures given here are within bounds.

Its annual value varies with the condition of the market from seventy-five to ninety millions of dollars. It stands sixth in value on the list of American agricultural products, and is surpassed only by corn, hay, wheat, cotton and oats. The number of sheep is estimated at fifty millions, worth on an average something over two dollars each, or not less than one hundred million dollars.

If the annual product of mutton for food, and the increase of the flocks in prosperous times were added to the value of the wool, the total amount would exceed \$125,000,000.

Sheep husbandry is distributed over the whole country. It is the only great farm industry in the benefits of which every section of the country shares. The distribution of the annual benefits is as follows ;

New England.....	4 per cent.....	5,000,000 dollars.
Middle States .....	9 " .....	11,000,000 "
Southern States.....	11 " .....	14,000,000 "
Western States.....	37 " .....	46,000,000 "
Pacific States.....	18 " .....	23,000,000 "
Territories.....	21 " .....	26,000,000 "
<b>Total.....</b>	<b>100 " .....</b>	<b>125,000,000 "</b>

But the annual value of the American wool industry is not limited to the clip of wool or the increase of the flock or its con-

tribution to our supply of animal food. Its value as a means of enriching the soil is recognized by intelligent farmers, though unfortunately it is not generally appreciated. One of the thriftiest farmers in the State of New York has said that after a careful study of the subject, he believed that the advantage derived yearly from the improved fertility of his land where the sheep were pastured, equaled the value of his wool clip. This element of value has not been investigated carefully enough to justify positive conclusions, though it may not be unreasonable to estimate the annual gain to the country from this source of fertilization at not less than fifty millions of dollars.

The proportion of the value of farm lands which is due to sheep husbandry and to the income derived from it, is important though not easy to determine. Yet, when it is considered that there is no substitute for sheep, and that many of our farms consist largely of land suitable for sheep pastures, and which, without sheep husbandry, would be unused and deteriorate in fertility, it must be admitted that no estimate of the advantages of American sheep husbandry is complete which fails to appreciate the decline in the value of our farm lands which would follow the abandonment of this industry.

It is claimed in a recently published statement that this decline would exceed two dollars and a half per acre on one hundred and twelve million acres, or \$280,000,000.

The United States is the second wool-producing country in the world. Australia, with its vast area of unoccupied land, is the first. South America ranks third, where land and labor rank the lowest in value. Russia is the fourth, with its boundless wastes and semi-slave population. The total production of the world, so far as it comes within the field of statistics, amounts to about two thousand millions of pounds, of which this country furnishes one-sixth part. This important proportion must be considered in estimating the effect of legislation tending to discourage our sheep husbandry. A serious reduction of the American clip, coincident with a constant increase in the world's consumption of wool, could not fail to be quickly followed by an advance in the price of foreign wools, with higher profits for foreign wool-growers, and increased cost of woollen goods.

It is a fact which at once arrests attention—when known—that the United States is the only civilized country in which there

has, in recent years, been a large increase in the production of wool. None of the European countries show a flourishing condition of sheep husbandry. All of them show a great decline in their wool production since 1870, and are large importers of the wool required for their manufactures. France produces less than a hundred million pounds, and imports more than three hundred millions. England uses less than a hundred million pounds of her own wool and imports more than two hundred millions. The United States, on the other hand, has increased its wool product from sixty million pounds in 1860 to more than three hundred millions in 1884, and supplies eighty per cent. of the wool required for its manufactures. The Australian clip during the same time, under the greatest advantages of soil and climate—with cheap land and cheap labor—has advanced from fifty million to four hundred and fifty million pounds. The production of all Europe is not now materially greater than it was in 1850, although it increased steadily down to the year 1870. Since then, under the competition of Australian and South American wools, the European wool product has declined twenty-five per cent. and stands nearly where it did forty years ago. During this same period the world's production of wool has more than doubled. It has increased three times as fast as population, and prices have declined in a similar ratio. Mulhall gives the following table of prices and consumption of wool in England :

Year.	Price.	Pounds consumed.
1850.....	23d.	158,000,000
1860.....	20d.	224,000,000
1870.....	15d.	309,000,000
1883.....	12d.	323,000,000

It is interesting to note the comparatively small increase of consumption in England since 1870—only 9 per cent. in thirteen years ; just keeping pace with her growth in population during that time.

The United States in ten years, 1870 to 1880, increased its consumption of wool 70 per cent., while her population increased about 30 per cent. Meantime the prices of wool have remained, under the influence of our protective policy, comparatively uniform, varying in the New York market as follows : For medium wool, 1850, 40 cts.; 1860, 45 cts.; 1870, 48 cts.; 1883,

40 cts. The American farmers have received remunerative prices for wool and the American manufacturers have extended their consumption of wool 70 per cent., while in England prices of wool have declined nearly 50 per cent. and the consumption of wool in manufactures has not, in proportion to population, increased at all.

Whatever may be the decision of the American people as to the advantage of maintaining the wool tariff, it cannot be doubted, upon a review of the facts already stated, that the wool tariff has, during the past twenty-five years, prevented the decline of our wool industry, and secured its rapid extension, together with the equally rapid growth of our wool manufactures. And there can be no doubt that in the absence of adequate protection, the experience of this nation, as respects its wool-production, would have been the same as that of all other civilized nations, where the wool industry has made no progress, or has declined because, with even cheaper labor than ours, they have not been able to compete with the product of new and semi-barbarous countries.

No more compe demonstration of the necessity of protection to maintain and advance the American wool industry can be offered than this contrast between the development of the industry here and its decline in Europe under the same exterior influences. A comparison of the average prices of wool here and in Europe confirms this demonstration. For, excluding temporary and local effects, the prices of our wools as compared with prices of corresponding qualities in Europe, have uniformly been determined on the average by the rates of duty. An interesting statement of the relative prices of domestic and foreign wools of similar qualities was issued last December by Messrs. Justice, Bateman & Co., wool merchants, of Philadelphia. The details would take too much space here, but they show clearly that however low the prices of our wools may at times have appeared to American farmers, they were still substantially well up to the duty line—*i. e.*, the foreign value with the duty added.

And this fact suggests another view of the relation of protection to our wool industry. It is an axiom of the protective doctrine that home competition, under adequate protection, will insure lower prices; and it is believed that not a single case can be adduced of an article, the production of which has been developed by protection, that has not declined in price below the foreign price with the duty added.

This result has been achieved in all our leading industries. In some cases the American product has been reduced in price to less than the duty on the corresponding foreign article. This is true of a great variety of woollen fabrics, especially those used by the working people, and it accounts in part for the fact, often stated and often denied, that many kinds of ordinary clothing are as cheap here as in England.

The operation of the rule that protection secures lower prices has, in regard to wool, been obstructed by the extraordinary development of our wool manufactures and the demand for wool, which have increased in the same ratio as our wool production. The census figures are as follows :

	Wool clip.	Wool manufactures.
1859.....	60,000,000 lbs.	\$85,000,000
1879.....	232,000,000 lbs.	287,000,000

But the effect of the duties has been sufficiently marked to justify the continued application of protection to our wool industry for the *distinct and avowed purpose to secure lower prices*. No reason can be given why the wool industry is exceptional, or why under the law of competition wool would not be reduced in price as other protected products have been, by the persistent application of skill and intelligence, without impairing the prosperity of the industry. The decline in foreign prices has already caused a reduction of the cost of producing here, through an increase of the weight of the fleece. Before 1860 the average weight was less than three pounds. In 1870 it was three and a half pounds. In 1880 it was six pounds. In Great Britain in 1880 it was four pounds.

An immediate reduction of price would be secured by the swifter process recommended by the President and embodied in the Mills bill. But this course would find our wool growers unable to compete with their Australian and South American rivals and would destroy a most valuable national industry.

Adequate and persistent protection would, on the other hand, increase our production, and gradually bring about lower prices. The law of competition would intervene. Cheaper methods would yield their fruits to skillful research. Those parts of the country best adapted to sheep husbandry would be devoted especially to it,

and those least adapted would be given up to other uses. Our Northern farmers would develop the value of their sheep for food and for fertilizing the land. The Southern farmers would find in sheep husbandry a hitherto comparatively unexplored means for increasing their incomes and improving their lands.

Thus encouraged, it is not easy to conceive of any limit to the wool product of the United States, nor to fix a limit to the decline in price which would be reached when the industry had been thoroughly developed in those vast and now sparsely settled portions of the country where climate and soil are favorable, and where sheep can be pastured all through the year with little or no expense for food or care.

Adversely to these views, it has of late been alleged by Mr. Mills and others that the tariff on wool has not proved advantageous, and that we are farther to-day than ever from supplying the home demand. The following table, compiled from the U. S. Bureau of Statistics, completely refutes the allegation, and proves that this country can, under the present tariff system, produce the wool required for its manufactures, and manufacture the woollen goods required for its people.

It also demonstrates beyond question the powerful influence of our protective policy on the development of our wool and woollen industries, and indicates clearly the disasters which would follow the overthrow of this policy.

It will be observed that the quantity of American wools used by our people has increased from two dollars and eleven cents per capita in 1859 to five dollars and thirty-four cents in 1879. It will be noted that the quantity of foreign wools used by our people has decreased from one dollar and thirty-five cents per capita in 1859 to seventy cents in 1879.

In other words we use three times as many American wools per capita as we did a quarter of a century ago, and only about half as many foreign wools. It will also be seen that the average product of American wool has doubled in about ten years, and the product per capita has increased twenty-five per cent. On the other hand the importation of foreign wools, such as is produced in the United States, has actually diminished in volume ten per cent., and, per capita of population 40 per cent. It is evident that American wool is gradually taking the place of foreign wools in American manufactures, and that our wool produc-

## THE INCREASE OF THE AMERICAN WOOL CLIP AND WOOL MANUFACTURES, CONTRASTED WITH IMPORTS OF FOREIGN WOOLENS.

	American wool clip, lbs.	Production per capita of population, lbs.	American wool manufactures.	Value per capita of population.	Imports of woolen goods.	Imports per capita of population.	Ratio of imports to total consumption of woolen goods.
1859 ....	60,000,000	1 $\frac{3}{10}$	\$65,596,000	\$2.11	\$42,832,000	\$1.55	40 per cent.
1869 ....	162,000,000	4 $\frac{3}{10}$	172,495,000	4.66	36,676,000	.96	17 per cent.
1879 ....	232,000,000	4 $\frac{8}{10}$	267,252,000	5.34	35,013,000	.70	12 per cent.

## THE AMERICAN WOOL CLIP COMPARED WITH IMPORTS OF FOREIGN WOOLS

Ten years.	Average American clip, lbs.	Production per capita, lbs.	Average annual imports, clothing and combining high duty wools, lbs.	Imports per capita, lbs.	Average annual imports low duty carpet wools, lbs.	Imports per capita, lbs.
1867-76...	172,000,000	4 $\frac{3}{10}$	22,400,000	1 $\frac{5}{10}$	28,900,000	1 $\frac{7}{10}$
Five years 1882-86...	297,000,000	5 $\frac{5}{10}$	19,600,000	1 $\frac{3}{10}$	56,000,000	1 $\frac{1}{10}$

tion has more than kept pace with the increase of the home demand.

The only gain in the wool imports, raw or manufactured, has been in carpet wools, many kinds of which we cannot produce here, and all of which we are discouraged by the low duties from trying to produce. These increasing imports of low duty wools, contrasted with the decreasing imports of high duty wools, indicate plainly the consequences of the President's scheme of free wool, should it ever be realized. That independence of foreign nations, which was the motive of our fathers in founding the protective system, would be lost, and the nation would become dependent upon foreign countries for one of its most essential necessities of life.

The defenders of the President's free wool policy, for want of solid arguments, have resorted to misleading statements. The



assertion of Mr. Mills that we use six hundred million pounds of wool in our woollen manufactures, and after twenty-five years of protection produce only half that quantity, already been shown to be untrue. To make up the six hundred million pounds Mr. Mills includes all the foreign wool used in foreign countries to make the woollen goods imported to the United States. The plain truth is that our wool growers have kept pace with the home demand, and only ask for a greater demand that they may have an opportunity to increase their flocks.

While the majority of one branch of the national legislature has been assailing our wool industry, the Department of State, unwilling not to do its share in support of the President's policy, has been employing the American Consul at Tunstall, England, to prepare a series of reports, in which, by bewildering figures and limping logic he seeks to show that the labor cost of American woollen manufactures is lower than the foreign labor cost of similar fabrics. It is understood that this was the motive for his appointment.

The results, evidently prepared for the emergency, have been suddenly spread before the people, in special issues of consular reports, just upon the eve of popular discussion of the subject. Their argument is that with free raw material no protection is required for American manufactures, thus aiming to sweep away the entire system of protection. To refute it, we have the fact that in spite of a duty of forty per cent., we import more than thirty millions worth of cotton goods, and in spite of a duty of fifty per cent., we import more than thirty millions worth of silk goods—although both cotton and silk are free of duty, and our appliances for manufacture nowhere surpassed.

And we have the further fact that with a compensating duty for the duty on wool allowed to our manufacturers, and a duty of from thirty-five to fifty per cent. to cover the difference in labor cost, there are still imported more than forty millions worth of woollen goods.

The consul, selected by the Department of State, for this inglorious work of undermining the industries of the United States, it is pleasing to note, is not an American. Though presuming to dispute the statements of more than nine-tenths of our wool manufacturers respecting their own business, he has himself had no experience in wool manufactures.

It is true that he assumed the rôle of a wool manufacturer before the Tariff Commission in 1882, and then proffered his advice. But when asked what kind of woollen goods he manufactured, he admitted that he was only a skirt maker, and was allowed to withdraw.

It is almost incredible that a great political party, including many patriotic citizens, and led by the President, should be thus intent upon the overthrow of one of our most important national industries.

It can be explained only upon the old Roman theory, "Whom the gods mean to destroy they first make mad."

E. H. AMMIDOWN.